

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH CENTRAL BELL)	
TELEPHONE COMPANY TO INTRODUCE)	CASE NO. 92-057
CUSTOMER LIST SERVICES)	

O R D E R

On February 7, 1992, BellSouth Telecommunications, Inc. d/b/a South Central Bell Telephone Company ("South Central Bell") filed proposed revisions to its access services tariff to introduce a new offering called "Customer List Services." The tariff proposes to offer customer name and address and customer change activity service to interexchange carrier ("IXC") customers of South Central Bell for the purpose of assisting the interexchange carrier customers to market their telecommunications services. On March 9, 1992, the Commission suspended the proposed tariff in order to determine its reasonableness. By Orders dated May 13, 1992 and July 10, 1992, the Commission required South Central Bell to provide additional information concerning its proposed tariff. No person has requested intervention.

South Central Bell proposes two specific services: customer name and address ("CNA") and customer change activity service ("CCAS"). CNA service provides the current customer listings for South Central Bell's subscriber lines and those available for subscription in central offices which have been converted to equal

access. The information is provided on an NPA-NXX or zip code specific basis. CCAS provides to the interexchange carrier change activity on subscriber lines not presubscribed to the requesting interexchange carrier. It differs from CNA in that only change activity is provided in lieu of all the records for an NPA-NXX or zip code.

The proposed tariff contains the following restrictions on the use of the customer list information: (a) the IXC agrees not to publish any information provided in connection with private and nonpublished subscriber service and to use the information only with regards to its provision of IXC service to such customer; (b) the IXC agrees to utilize the customer listings only for the purpose of marketing IXC services; (c) the IXC agrees not to permit anyone but its authorized employees to inspect or use the customer list information; (d) the IXC may subcontract to third parties its marketing and interexchange service functions which include the use of the customer list; however, the subcontractor must agree in writing to the same limitations applicable to the IXC; (e) the IXC agrees not to use such information to publish or distribute in any form lists of new or change of telephone subscribers; and (f) the IXC agrees not to reproduce in anyway copies of customer listings furnished other than as required internally for completion of its marketing of interexchange services.

The provision by South Central Bell of its customer list information to IXCs implicates matters related to privacy. South

Central Bell has satisfactorily addressed these concerns in responses to Commission Orders.

One concern related to the inclusion of those customers having nonpublished or unlisted numbers. South Central Bell does not provide customer information about any nonpublished and unlisted customer except to the IXC to which the customer is presubscribed.¹ The Commission finds that South Central Bell should clarify its tariff at E13.3.11.D.1 to state that the CNA option for a customer list consisting of those customers subscribed to the Ordering IXC is the only customer list service option which includes nonpublished and unlisted numbers and related customer information. With this modification, the tariff will reflect the conditions under which South Central Bell provides nonpublished and unlisted numbers in the customer list service.

The restriction on the use of customer list information, mentioned above, related to the agreement not to publish any information provided in connection with private and nonpublished subscriber service is applicable to all subscriber numbers including nonpublished, unlisted, and listed. South Central Bell should modify its proposed tariff to clarify this restriction. Thus, E13.3.11.I.1 should be modified as follows: The IXC agrees not to publish any customer listing information provided and to

¹ Response to Item 4 of the May 13, 1992 Order.

use such information only with regards to its provision of interexchange service to such customers.²

The Commission believes that customers should have the option to have their name and address information excluded from the CNA and CCAS lists, including lists which may be requested by the subscribers own carrier of record. South Central Bell contends that only a very small percentage of its subscribers have expressed any concern about the customer list information service and that those expressing concerns have been excluded from the lists at no charge.³ All subscribers will be advised of customer list services and that upon request, the subscriber's name and address will be excluded from customer lists at no charge by contacting South Central Bell's office.⁴ South Central Bell proposes to notify its subscribers by an insert in their telephone bill and the consumer guide section of the next published telephone directory.

The Commission finds that a one-time notification through a bulletin insert in a telephone bill is insufficient to notify subscribers and therefore requires that South Central Bell notify subscribers via bill inserts at least twice per year beginning with the billing cycle immediately preceding the availability of CNA and CCAS. The customer notice should also include the

² Response to Item 8 of the May 13, 1992 Order.

³ Response to Items 12 and 13 of the May 13, 1992 Order.

⁴ Response to Item 15 of the May 13, 1992 Order.

telephone number which any subscriber may call to have his own name and address information excluded from the customer lists.

The Commission's final concern is the inclusion of subscriber information in customer lists without the subscriber's specific informed consent. South Central Bell contends that such specific informed consent is not necessary because the customer list service does not include customer proprietary network information related to a customer's usage patterns or call detail information. South Central Bell asserts that the availability of a means to exclude a subscriber's name and address information upon request free of charge is sufficient to protect the privacy concerns of subscribers while providing a valuable marketing service to interexchange carriers.⁵ With the modification of requiring customer notice via a bill insert twice annually, the proposed safeguards are adequate to protect the privacy concerns. Therefore, the Commission will not require that customers give specific informed consent prior to their name and address information being included in customer lists.

The Commission, having reviewed the proposed tariff and responses to information requests and having been otherwise sufficiently advised, HEREBY ORDERS that:

1. The proposed tariff for customer list services is hereby approved as modified herein and shall be filed within 20 days of the date of this Order.

⁵ Response to Item 3 of the July 10, 1992 Order.

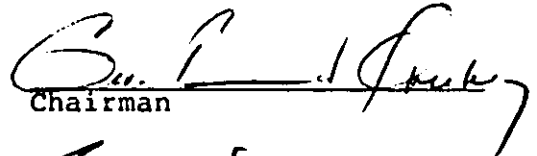
2. South Central Bell shall clarify its tariff at E13.3.11.D.1 to state that nonpublished and unlisted numbers and related customer information is only available for the CNA service option of those subscribed to the ordering IXC and reflect the conditions under which it provides nonpublished and unlisted numbers.

3. The tariff shall be modified at E13.3.11.I.1 to require the interexchange carrier to agree not to publish any customer listing information provided and to use such information only with regards to its provision of interexchange service to such customers.

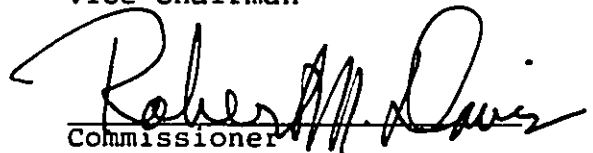
4. South Central Bell shall provide a bill insert at least twice annually describing the customer list services and the means by which a subscriber may be excluded from a customer list.

Done at Frankfort, Kentucky, this 7th day of August, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director